

Washington State Board of Natural Resources

Resolution 1110 – Document 1.

February 17, 2004

Sustainable Harvest Calculation Management Principles and Objectives

These principles and objectives were first introduced in a memo to the Board of Natural Resources (Board) by Board member Terry Bergeson, Superintendent of Public Instruction, at the January 2004 Board meeting. The memo was discussed and amended January 8th, February 3rd, and February 17th.

The objectives below provide a broad level of direction by the Board of Natural Resources to the Department of Natural Resources in modeling the sustainable harvest calculation and subsequent implementation of the preferred alternative, focusing on:

- Our fiduciary responsibilities;
- A flexible framework for DNR staff to work within;
- Phasing in management strategies to maximize net revenue within reasonable expenditures;
- Utilizing innovative forestry techniques to maintain a diverse, healthy forest system and to protect sensitive areas and habitats, and;
- Requiring monitoring and, at a minimum, annual reporting by DNR to the Board of efforts and results in an outcome-based format so that the Board can respond in a timely manner to policy and implementation issues.

The Board must ensure all decisions meet our fiduciary responsibilities and legal obligations. From the court ruling in *Skamania*: “The state’s fiduciary duty of undivided loyalty prevents it from using state trust lands to accomplish public purposes other than those which benefit the trust beneficiaries.” Each decision needs to be weighed in terms of:

- Being prudent;
- Assuring intergenerational equity; and
- Maintaining asset productivity in perpetuity.

With these principles in mind, the following objectives reflect the discussion of the Board members for the Sustainable Harvest Calculation and DNR management to meet:

1. The first objective is to have financial performance measured by net present value, a valuable tool to help assure optimum returns to all generations.
2. The second objective is to align all department-created policies, procedures and tasks with Board approved policies to ensure flexibility, optimize the net present value, and achieve other asset management objectives in support of our fiduciary responsibilities.
3. A third objective is to direct the DNR to provide professional management of the assets through active stewardship of as much of the landscape as allowable by law (including the HCP), opening up the landscape to on-base activities.
4. A fourth objective is for the Sustainable Harvest Calculation to reflect a flexible framework within which DNR may, year to year and stand by stand, use professional judgment, best

available science and sound field forestry to achieve excellence in our public stewardship. Timber sales should be regulated through a combined value and volume approach. Decadal target volumes should be managed to effectively market timber so as to increase the value of each timber sale, allowing for intra-decadal variability.

5. A fifth objective is to phase in innovative and more intensive silviculture activities such as improvements to planting stock, site preparation, fertilization, and thinnings that are appropriate for local stand conditions as cash flow is available, e.g., from improved timber sales marketing and reductions in regulatory or administrative constraints, living within present expenditure limits (referring to the 25 percent management fee) in the near-term.
6. A sixth objective is to actively manage the land base in such a manner as to complement our fiduciary responsibilities and still achieve a mosaic that includes a diverse forest structure and provides for broader economic, conservation, aesthetic, recreational and other public benefits. To this end, such innovative activities might include different types of variable density harvests, contract harvesting in sensitive areas, intentionally managing for snags and woody debris, rotating harvest ages, and the development of biological pathways – all in appropriately designated areas.
7. A seventh objective is to employ a structured monitoring and reporting program, providing, at a minimum, annual reporting by DNR to the Board on efforts and results. The report shall include short- and long-term costs and benefits and foreseeable changes needed in statutes, Board approved policies, management fees, or departmental practices.
8. An eighth objective is to identify those trust lands that are inefficient or unsuitable for meeting the trust mandate or fiduciary responsibility but appear to provide ecosystem and/or public benefits. Partnering with communities and other interest groups, DNR should identify and prioritize parcels no longer suited for trust land management and look at creative ways to remove those lands from the trust inventory, such that the trusts are fully compensated. (One example that might receive priority for communities is old natural forests, areas of old growth that have never been harvested or managed for harvest (estimated at 2,000 to 2,500 acres in total).)